

Clark County Market Report

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By any measure, the Clark County real estate market had an outstanding August. One of the best indicators of that was new sales activity, reflected in the 890 *New Pending Residential Sales* submitted to RMLS. That was up 2.2% from July and contrary to the normal seasonal pattern, and it was up 1.5% from a very strong August 2016. In fact, that was easily the best new sales activity in August since 2005, up 4.8% from August 2015, up 27.3% from August 2014, and even up 17.3% from August 2006. Furthermore, with that strong new sales activity, the backlog of pending sales waiting to close ended the month at 1,646 pendings. At the rate sales closed in July, that represents 1.85 months of closings, ensuring good total sales well into the fourth quarter.

Closing activity was also exceptionally good in August, reflecting the strong new sales activity this summer. You could see that in the 849 *New Closed Residential Sales* reported, up 10.0% from July, also unlike the normal seasonal pattern, and up 2.2% from a very good August 2016. And like new sales activity, this was easily the best closing activity in August since the 2005 record, up 14.1% from August 2015, up 28.4% from August 2014, and even up 24.1% from August 2006. Furthermore, with that strong closing activity, at the end of August there had been 6,436 *Solds Year To Date* reported, up 0.5% from August 2016. More significantly, that was ahead of 2016 for the first time this year. As a result, *Solds Year To Date* were better than any other year since 2005, and down just 8.3% from the August 2005 record.

Perhaps the most significant news was that listing activity continued to be better than it was in any the first five months this year. You could see that in the 1,125 new residential listings reported, up 2.2% from July, and also contrary to the seasonal pattern. Yet with the strong new sales activity there were still just 1.26 new listings for each pending sale reported. Even so, at the end of August there were 2,174 *Active Listings* available, significantly up 2.5% from July and making it the largest inventory this year. Still that was down 7.8% from August 2016, down 18.1% from August 2015, and down 6.3% from August 2015. This was easily the fewest listings available in August since at least 1990. And as a result, based on the number of pending sales, and taking into account only standing inventory, there were just 1.46 months of residential inventory available.

Predictably, average prices continued to push higher in August, although the increases were in some ways surprising. For example, *Average Sale Price-All MLS* was \$354,697, up 11.2% from August 2016 and up 21.4% from August 2015. Similarly, *Median Sale Price-Residential* was \$339,500, up 1.4% from July, up 17.1% from August 2016, and up 30.6% from the previous high in August 2007. This was the twenty-seventh month in a row that the *Median Sale Price-Residential* has been higher than the previous peak. And the average residential sale price was \$380,600, up 1.3% from July, up 12.6% from August 2016, and up 25.3% from August 2015.

	DATA FOR AUGUST 2017	Change from Aug. 2016
Active Listings	2,174	-7.8%
Solds Year To Date	6,436	0.5%
New Closed Residential Sales	849	2.2%
New Pending Residential Sales	890	1.5%
Average Days on Market-Res. Solds	38	0.0%
Average Sale Price-All MLS	\$354,697	11.2%
Median Sale Price-Residential	\$339,500	17.1%

The strength of the market this summer has been impressive, particularly since it has been unlike the typical seasonal pattern. Furthermore, the fact the market improved in all categories in August was even more impressive. But the most encouraging trend in August was the continued increase in the number of Active Listings. That trend began in June, continued in July, and now has extended into August. And even though the increase total listings each month has been small, the fact that the number of Active Listings has increased for three months in a row suggests listing activity may be normalizing. So even though there is still a significant shortage of inventory, this is a welcome change that we hope will continue.